

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF NEXUS COMMUNICATIONS,	)	
INC. FOR ADDITIONAL DESIGNATION AS AN	)	CASE NO.
ELIGIBLE TELECOMMUNICATIONS CARRIER	)	2009-00110
IN KENTUCKY	)	

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION  
TO NEXUS COMMUNICATIONS, INC.

Nexus Communications, Inc.'s ("Nexus") original application requested an extension of its wireline designation as an Eligible Telecommunications Carrier ("ETC") to the service area of BellSouth Telecommunications, Inc. dba AT&T Kentucky ("AT&T Kentucky") and designation as a wireless ETC in that same service area seeking only Low Income support and not High Cost support. At the request of Nexus, this case was held in abeyance after being under consideration by the Commission for approximately one year. The Commission requests that Nexus provide updates to any information provided in the application and the responses to prior data requests as may be necessary. Additionally, the Commission propounds the following data requests upon Nexus. The following request for information is in two sections, one relating to the wireline request and one relating to the wireless request.

Nexus, pursuant to 807 KAR 5:001, is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on or before May 1, 2011.

Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Nexus shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Nexus fails or refuses to furnish all or part of the requested information, Nexus shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. If the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

## Wireline Questions

1. Commission records indicate that the current interconnection agreement between Nexus and AT&T Kentucky expired on January 14, 2011. Is Nexus still operating under this agreement or is Nexus negotiating a replacement agreement?

2. Other than the interconnection agreement referenced in question 1 and the interconnection agreement with Cincinnati Bell, does Nexus have any other resale or commercial agreements in Kentucky with other telecommunications carriers? If so, include signed evidence of the agreements.

3. Describe the process in which Nexus orders a Section 251 loop and commingles it with Section 271 elements to provide service. Provide copies of orders or contracts that show the process.

4. How many Kentucky residential and business customers does Nexus presently serve? Provide the number of Lifeline, residential, and business customers and whether they are providing service through Unbundled Network Elements, pursuant to Section 251, commingled with Section 271 Elements, Resale, or wholesale local platform, pursuant to a commercial agreement.

5. Refer to page 23 of the Company's tariff at 6.1.5. Nexus is currently certified as an ETC only in the Cincinnati Bell Telephone, Inc. ("Cincinnati Bell") Service Area.

a. Is Nexus providing Lifeline Services in the Cincinnati Bell Service Area? If so, is it resale of Cincinnati Bell's Lifeline or some other manner?

b. Is Nexus providing Lifelines Services in the AT&T Kentucky Area? If so, is it resale of AT&T Kentucky's Lifeline?

6. Does Nexus understand that any resold Lifeline or Link-Up service purchased through another carrier cannot be claimed by Nexus for reimbursement from Universal Service Administrative Company ("USAC")?

7. Explain the process which Nexus will employ to audit each wireline Lifeline customer on an annual basis.

8. Explain the process by which Nexus will verify the initial eligibility of wireline Lifeline customers. Provide details about how and where Lifeline subscribers will be able to initiate service.

9. Provide a list of all states in which Nexus operates.

10. Provide the docket numbers of Nexus' petitions for ETC in any other states. Also, indicate if those petitions have been granted, denied, withdrawn or are pending.

11. If Nexus receives additional ETC designation in Kentucky, approximately how long will it take for Nexus to offer Lifeline service in the area in which it receives the ETC designation? Elaborate on any extenuating or special circumstances.

12. Do Nexus' customers have access to competitive directory assistance providers as defined by 47 C.F.R. 54.101(a)(8)? If not, explain why.

13. As a condition of receiving local service, are Nexus' residential customers required to subscribe to Nexus long-distance services?

14. Provide an example of a typical Nexus residential customer bill.  
What is the average residential bill in Kentucky?

15. What recurring and nonrecurring costs will a new Lifeline customer incur over the period of a year due to becoming a Nexus customer?

16. Does Nexus propose to make any modifications to its Lifeline tariff?  
If so, provide a proposed tariff that details the Company's proposed Lifeline offering.

17. Nexus' current Lifeline tariff provides the \$13.50 Lifeline discount to an eligible subscriber and provides a company discount of \$6.50 to the eligible customer. What is the rationale for offering the additional company discount?

18. Does Nexus provide service to its customers via a prepaid service?  
If so, what percentage of its customers receive their service via a prepaid service?

19. Describe Nexus' local usage plans pursuant to 47 C.F.R. 54.101(a)(2). If phone service is offered in a bundled package, describe and enumerate the wireline local component (charge for local phone service) upon which universal service compensation would be based.

20. Describe the process which Nexus will employ if a customer does not pay his or her monthly fee.

a. Is there a grace period for making payment?

b. Would the customer have to re-enroll in Lifeline if they do not make payment for a month?

c. Are customers who reconnect service with the company required to pay the past-due bill and a reconnection fee prior to receiving service?

d. Are Lifeline customers allowed to pay past-due amounts over time? If so, describe the terms of such payments.

e. Are Lifeline customers charged a reconnection fee?

21. Does Nexus use agents or other retailers to market and sell its service? Provide a list.

22. Will Nexus be using any subcontractors (operations, call centers, etc.) to provide the required services? If so, provide the name of each company and the physical address.

23. Will Nexus be willing to advertise Lifeline and Link-Up availability in languages other than English? If so, name the other languages.

24. Has Nexus been audited by other state utility commissions regarding its use of universal service funds? If so, list the state and the result of the audit.

25. Does Nexus have any outstanding complaints at any state commission or at the Federal Communications Commission ("FCC")? Provide detailed documentation of any complaint filed with a state commission or at the FCC in the past three years.

26. Will Nexus seek toll limitation service reimbursement from USAC if granted ETC status? If so, provide a detailed list of the incremental costs it will

be claiming, along with a detailed description to support the amounts to be claimed.

27. Will Nexus seek Link-Up reimbursement from USAC if granted ETC status? If so, list the amount per customer that Nexus would be claiming.

28. If granted ETC status, what is the amount per customer Nexus will seek for Lifeline reimbursement from USAC?

29. Nexus stated in response to the Commission's first data request that it would not seek Lifeline reimbursement from the Kentucky Universal Service Fund if granted ETC status. Is this still Nexus' position?

30. Does Nexus maintain separate books/general ledgers for each state in which it operates? Where are the books/general ledgers for Kentucky customers maintained? Provide the physical address, office telephone number, and name and title of employees responsible for maintaining those books/general ledgers.

31. Provide the address (URL) to the Nexus website, if there is one.

32. Provide the name of the person (with business title) and/or entity that will be filing the Form 497 with USAC if Nexus obtains ETC status.

33. Provide a description of Nexus' corporate structure, with both names and titles. Also provide a list of Nexus' owners or corporate officers and indicate if any are also owners, corporate officers, or employees of any other telecommunications companies and provide a vitae for each listed.

#### Wireless Questions

1. Is Nexus currently providing Wireless Service in Kentucky?

2. Describe in detail the services that are designated for support in accordance with 47 CFR §54.100 that are provided by Nexus' "own facilities."

3. Describe in detail the services that are designated for support in accordance with 47 CFR §54.100 that are provided by resale of Verizon Wireless service.

4. In response to question 1 of Commission Staff's Second Data Request, Nexus responded that it would only provide wireless ETC services in the exchanges of Cincinnati Bell, AT&T Kentucky, and Windstream Kentucky East, LLC ("Windstream"). What procedures will be put in place to restrict that prospective Lifeline customers reside in one of these areas?

5. Nexus does not currently have an interconnection agreement with Windstream filed with the Commission. Does Nexus intend to provide wireline service in the Windstream service area?

6. In response to question 4 of Commission Staff's First Data Request, Nexus stated that "a consumer is eligible to participate in Lifeline and Link-Up of (sic) his is at or below 135 percent of the federal poverty guidelines." Does Nexus understand that Kentucky does not allow consumers to qualify for Lifeline under the income guidelines?

7. Do Nexus' customers pay the statewide wireless 911 fee?

8. If Nexus receives ETC designation in Kentucky, approximately how long will it take for Nexus to offer Lifeline service in the area in which it receives the ETC designation? Elaborate on any extenuating or special circumstances.

9. Does Nexus understand that there may be an audit by the Commission of the use of universal service funds and that the eligible telecommunications service designation may be reviewed annually?

10. Has Nexus been audited by other state utility commissions regarding its use of universal service funds? If so, list the state and the result of the audit.

11. Does Nexus have any outstanding complaints at any state commissions or at the FCC? Provide detailed documentation of any complaint filed with a state commission or at the FCC in the past three years.

12. Will Nexus seek toll limitation service reimbursement from USAC if granted ETC status? If yes, provide a detailed list of the incremental costs it will be claiming, along with a detailed description to support the amounts to be claimed.

13. Will Nexus seek Link-Up reimbursement from USAC if granted ETC status? If yes, list the amount per customer Nexus would be claiming.

14. Will Nexus seek Lifeline reimbursement from USAC if granted ETC status? If yes, list the amount per customer Nexus would be claiming.

15. Nexus stated in response to Commission Staff's First Data Request that it would not seek Lifeline reimbursement from the Kentucky Universal Service Fund if granted ETC status. Is this still the Nexus' position?

16. Provide the number of requests for service from potential customers in Kentucky that were unfulfilled by Nexus in the previous calendar year.

17. Does Nexus use agents or other retailers to market and sell its service? If so, provide a list.

18. Will Nexus be willing to advertise Lifeline and Link-Up availability in languages other than English? If so, name the other languages.

19. Nexus states in the notice of reactivation filed January 27, 2011 that unused minutes and text messages do not carry forward to the following month under plan 1. Under plans 2 and 3, unused minutes will carry forward to the following month. Will the company consider changing this so that all unused minutes and text messages will not expire and will remain available until used or until the customer account is terminated?

20. Nexus stated, in response to Commission Staff's First Data Request, that additional minutes can be purchased by the Lifeline Subscriber and the rate is a market rate. What is the current market rate for these minutes? Do these minutes have an expiration date?

21. Does Nexus charge against the customer account for all calls and text messages both sent and received, including calls to customer service, 911, and company-initiated text messages?

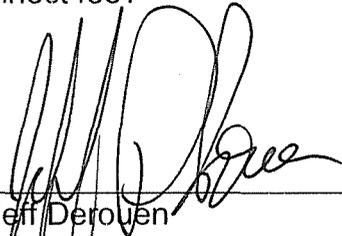
22. Would Nexus be willing to file its non-usage report with the Commission as detailed on pages 19 and 20 of Nexus' responses to the Commission Staff's First Data Request submitted July 16, 2009?

23. Provide a proposed customer agreement for Lifeline service detailing all service conditions and charges.

24. Will Nexus charge customers an additional charge (in the form of minutes) for any taxes, fees or surcharges?

25. Does Nexus plan to charge a service activation fee?

26. Does Nexus plan to charge a reconnect fee?



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Jeff Derouen  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

DATED APR 05 2011

cc: Parties of Record

Honorable Douglas F Brent  
Attorney at Law  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W Jefferson Street  
Louisville, KENTUCKY 40202-2828

Honorable Deborah T Eversole  
Attorney at Law  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W Jefferson Street  
Louisville, KENTUCKY 40202-2828

Steven Fenker  
President  
Nexus Communications, Inc.  
3629 Cleveland Avenue, Suite C  
Columbus, OH 43224